DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services Room 352-G 200 Independence Avenue, SW Washington, DC 20201



Contact: CMS Office of Media Affairs

(202) 690-6145

## Office of Media Affairs

## **MEDICARE NEWS**

For Immediate Release October 7, 2008

## MEDICARE HOSTS NATIONAL CONFERENCE

TO PROMOTE ELECTRONIC PRESCRIBING
Widespread Use of E-prescribing Would Eliminate Thousands of Annual Medication Errors

Boston, MA – October 7, 2008 – More than 1,400 health care professionals and industry leaders convened in Boston today at the National E-prescribing Conference hosted by the Centers for Medicare & Medicaid Services (CMS) and 34 co-sponsoring organizations. Featuring U.S. Department of Health and Human Services Secretary (HHS) Mike Leavitt, CMS Acting Administrator Kerry Weems, Senator John Kerry (D-MA), Former House Speaker Newt Gingrich, Massachusetts Governor Deval Patrick, Rhode Island Governor Donald Carcieri, and Health Evolution Partners Chairman David Brailer, M.D., Ph.D., the conference addressed the potential of electronic prescribing (e-prescribing) to improve health care in the United States.

Topics of discussion included a newly enacted federal e-prescribing incentive payment program; strategies and tools for integrating e-prescribing with current health care delivery practices; and privacy, security, and risk management implications.

"Our Nation's health care system is undergoing a major transformation thanks to health information technology advancements like e-prescribing," said HHS Secretary Leavitt. "From the smallest rural communities to the largest metropolitan areas, e-prescribing is streamlining the prescription process for patients, providers, health plans, and pharmacies. Today's National E-prescribing Conference is a vital step in overcoming e-prescribing barriers and sharing both best practices and insights to accelerate adoption."

Prescribing electronically gives physicians secure electronic access to each patient's prescription history, helping to avoid prescriptions that may result in drug interactions. E-prescribing also:

- Eliminates the possibility of medication errors caused by illegible handwriting;
- Improves quality and efficiency by actively promoting appropriate prescribing patterns;
- Furnishes information to providers and dispensers about formulary-based drug coverage;
- Speeds up prescription renewals; and
- Facilitates communication between physicians' offices and pharmacies.

The Institute of Medicine reported in 1996 that more than 1.5 million Americans, including an estimated 530,000 Medicare beneficiaries, are injured each year by drug errors. Medicare is advancing e-prescribing by bringing together members of the health care community at the National E-prescribing Conference. Under provisions in the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA), physicians and other eligible professionals who meet federal requirements as a successful electronic subscriber between 2009 and 2013 will receive incentive payments from Medicare.

Under MIPPA, the Secretary of HHS is authorized to identify successful electronic prescribers for a reporting period using one of two possible standards: one based on the reporting of electronic prescribing measures established under Physician Quality Reporting Initiative and one based on the electronic submission of prescriptions under Medicare Part D. Incentive payments, which are available from 2009 through 2013, will be set at 2 percent for 2009 and 2010; 1 percent for 2011 and 2012; and 0.5 percent for 2013. Beginning in 2012, eligible professionals who are not successful electronic prescribers will be subject to a penalty in the form of a percentage reduction in their Medicare physician fee schedule payment.

"Medicare is leading the way in implementing innovative technology solutions to deliver optimal health services for beneficiaries," said CMS Acting Administrator Weems. "Widespread adoption of e-prescribing will mean a significant reduction in annual medication errors, improved efficiency and convenience, and will garner financial savings for both physicians and consumers."

Co-sponsoring organizations of the National E-prescribing Conference were the following:

- AARP:
- America's Health Insurance Plans:
- American Academy of Family Physicians;
- American College of Physicians;
- American Medical Association;
- American Medical Group Association;
- American Optometric Association;
- American Osteopathic Association;
- American Osteopathic Association of Medical Informatics;
- American Pharmacists Association :
- American Society of Consultant Pharmacists;
- Arizona Health-e Connection;
- Blue Cross Blue Shield Association:
- Blue Cross Blue Shield of Massachusetts:
- California HealthCare Foundation;
- eHealth Initiative:
- ePrescribe America:
- Florida Agency for Health Care Administration;
- Health IT Now Coalition;
- Healthcare Information and Management Systems Society (HIMSS);

- Lahey Clinic;
- Massachusetts College of Pharmacy & Health Sciences;
- Massachusetts Health Data Consortium Inc.;
- Massachusetts Medical Society;
- Medical Group Management Association;
- National Alliance of State Pharmacy Associations;
- National Association of Chain Drug Stores;
- National Association of Community Health Centers;
- National Community Pharmacists Association;
- National Council for Prescription Drug Programs;
- New England Healthcare Institute and Massachusetts Technology Collaborative;
- Pharmaceutical Care Management Association;
- State of Tennessee; and
- SureScripts-RxHub.

HIMSS independently sponsored an E-prescribing Solutions Showcase exhibition during the conference. The HIMSS exhibition featured e-prescribing innovations by Allscripts, EHS, Greenway, NextGen, RxNT, Sage Software, and Zix.

This e-prescribing initiative is part of HHS' bold vision for health care reform built on the four cornerstones of value-driven health care. These include: adopting interoperable health information technology; measuring and publishing quality information to enable consumers to make better decisions about their providers and treatment options; measuring and publishing price information to give consumers information they need to make decisions on purchasing health care; and promoting incentives for high-quality, efficient delivery of care.

For more information, visit <u>www.hhs.gov/valuedriven</u> or <u>www.cms.hhs.gov/pqri</u>. National E-prescribing Conference presentations can be downloaded at <u>www.e-prescribeconference.com</u>.

###